

# *The Ten Greatest Myths of Data Warehousing and BI*

*(Selected Slides)*

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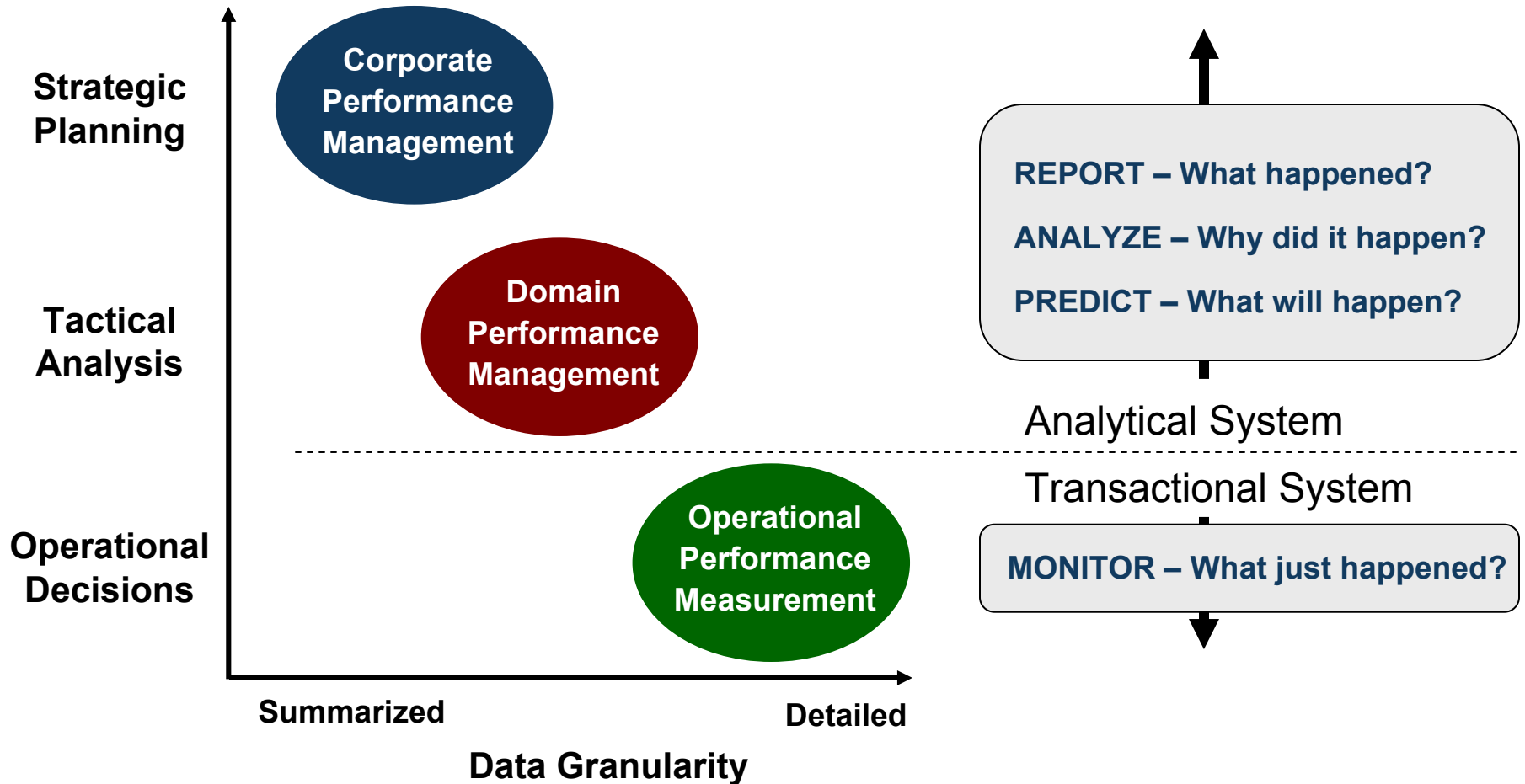
Executive Briefing  
White Plains, New York  
March 16, 2006



- ❖ The Framework
- ❖ The Information Refinery
- ❖ The Top Ten Myths
- ❖ Not a Myth - BPM
- ❖ Next Steps
- ❖ Q&A

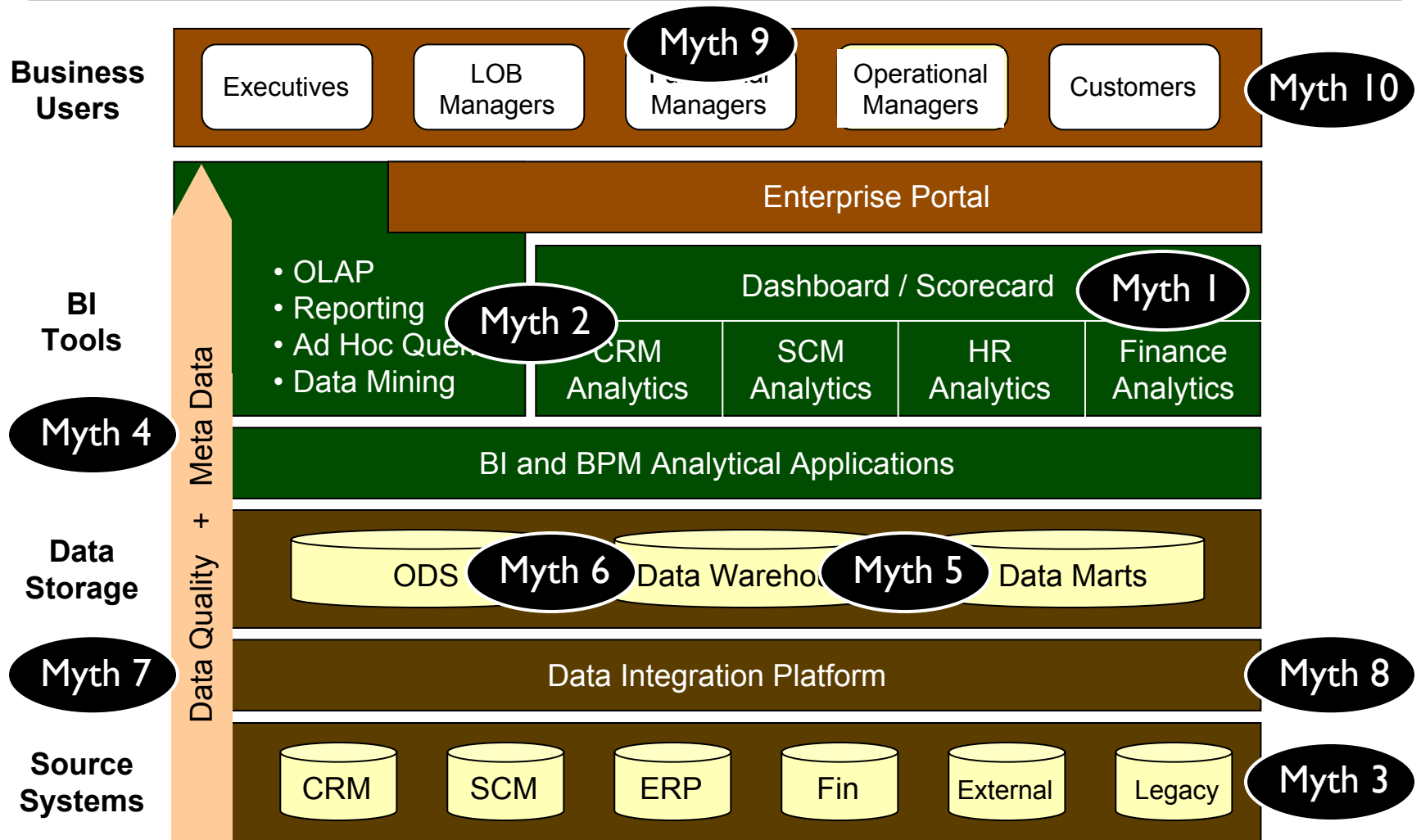
# The Framework

An effective Data Warehouse and Business Intelligence solution meets the business needs of multiple constituents



# The Information Refinery

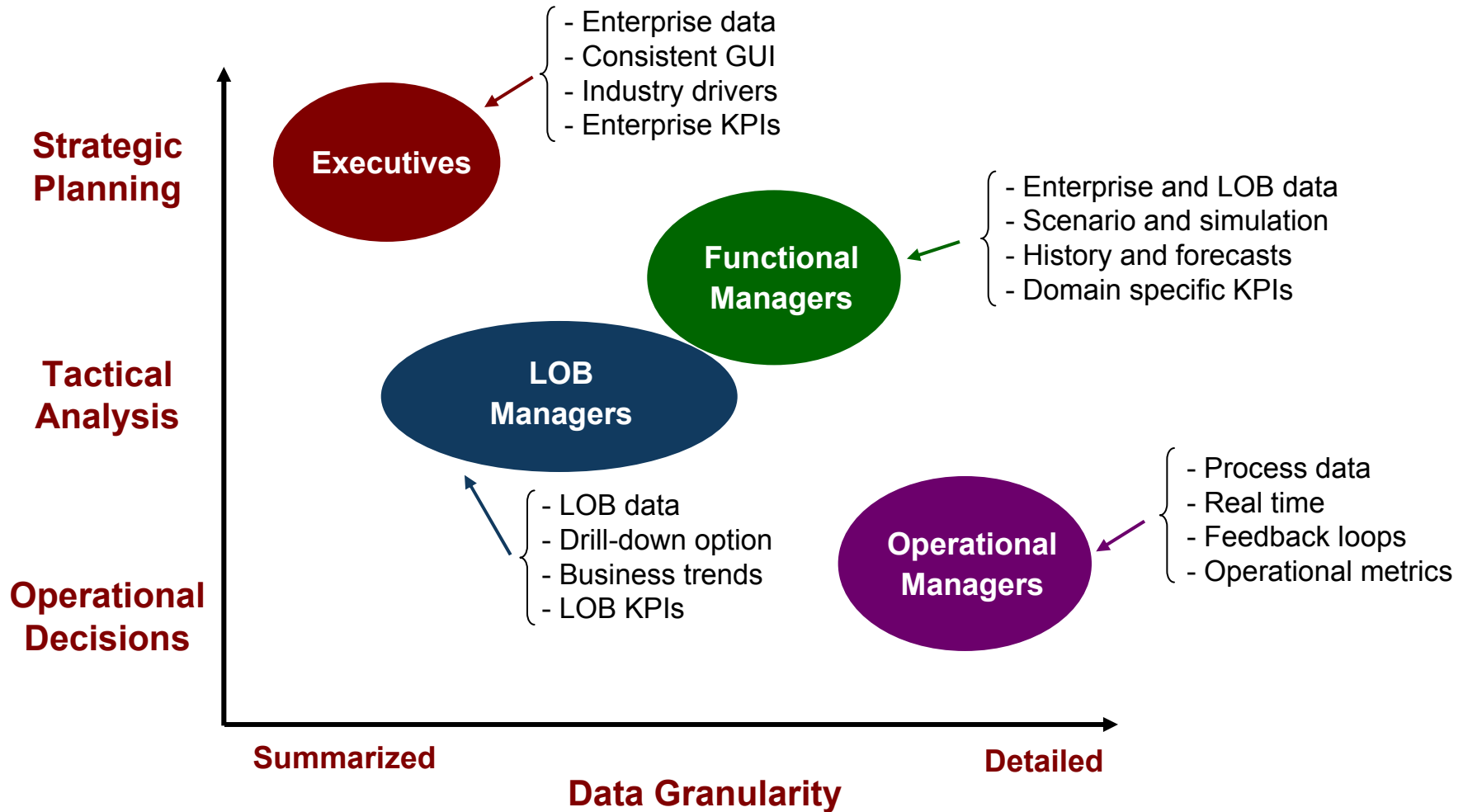
A effective Data Warehouse and Business Intelligence solution requires that all the components “shake hands”



# Myth #10 – The Business User Paradigm

Myth - All business users have the same data and delivery needs

Reality - Business user require tailored data and delivery solutions



# Myth #9 – The Transactional/Analytical Dichotomy

Myth - Transactional and analytical data are identical

Reality - Transactional and analytical systems are two different animals

## Data Profile: Transactional vs. Analytical

### Transaction Data

### Analytic Data



	<u>Transaction Data</u>	<u>Analytic Data</u>
Data Focus	Operational	Strategic and tactical
Data Strategy	Collect and input data	Extract and analyze data
Data Granularity	Detailed only	Detailed, summarized and derived
Data Type	Current	Historical
Data Currency	Continuously updated	Periodic snapshots
Integration Level	Source-specific	Integrated
System Focus	Application-oriented	Subject-oriented
Size of Result Set	Small - transactions	Large - snapshots
Data Model	Designed for updates	Designed for queries

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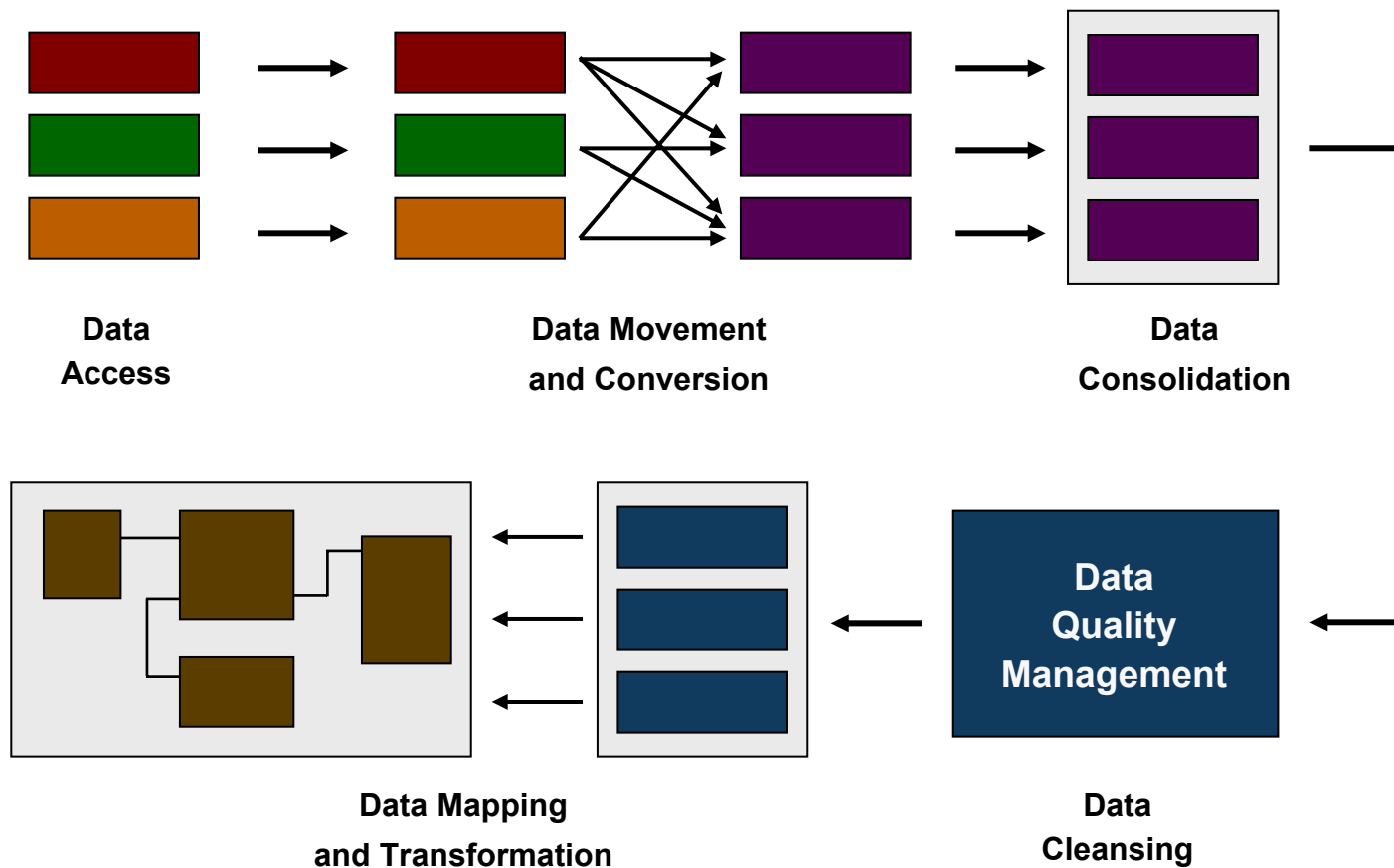


# Myth #8 – The ETL Challenge

Myth - Getting data into the Data Warehouse is a “slam dunk”

Reality - Getting data into the Data Warehouse is the “money pit”

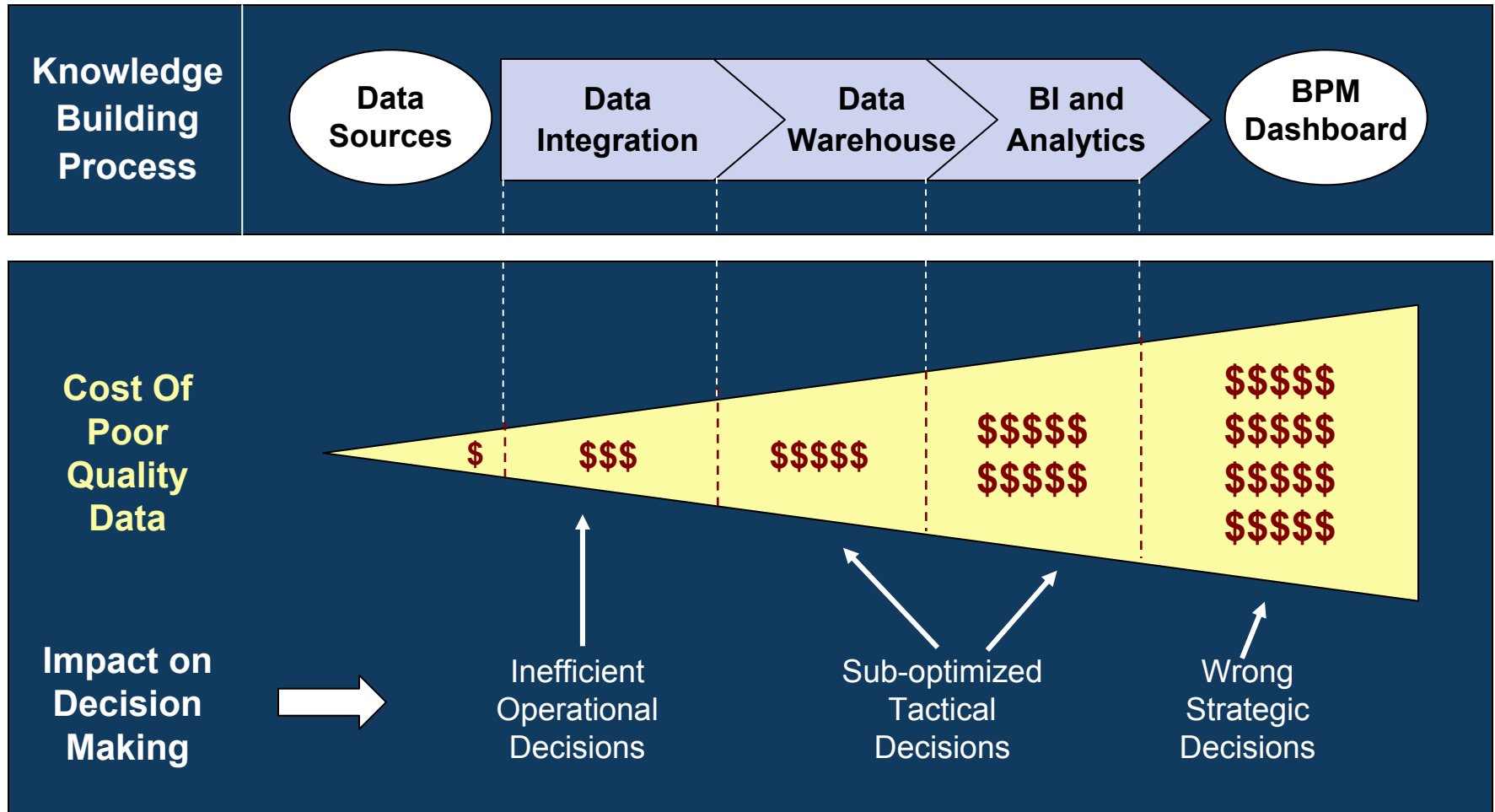
## The ETL Process is Complex



# Myth #7 – The Data Mirage

Myth - Data always arrives in pristine condition

Reality - Data is only as good as your data cleansing process

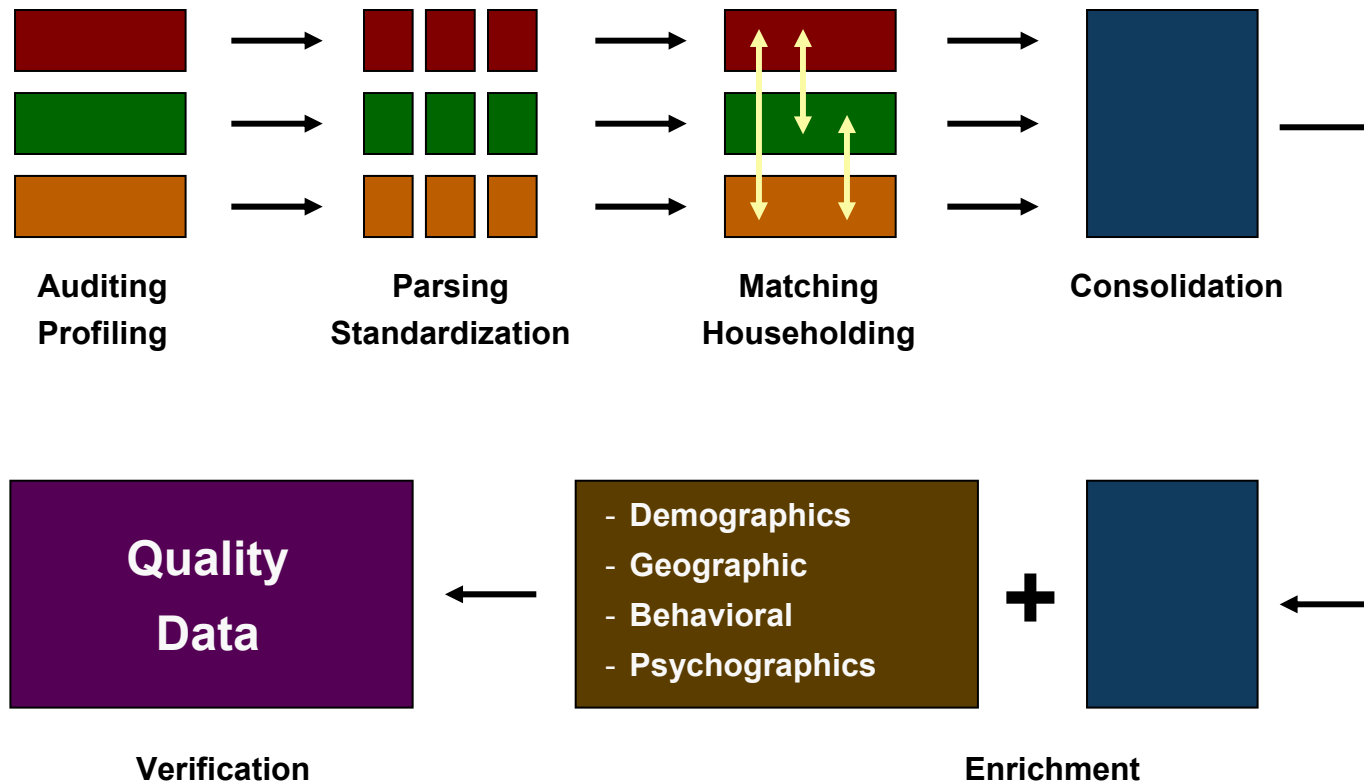


# Myth #7 – The Data Mirage

Myth - Data always arrives in pristine condition

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## The Data Quality Process Is Comprehensive

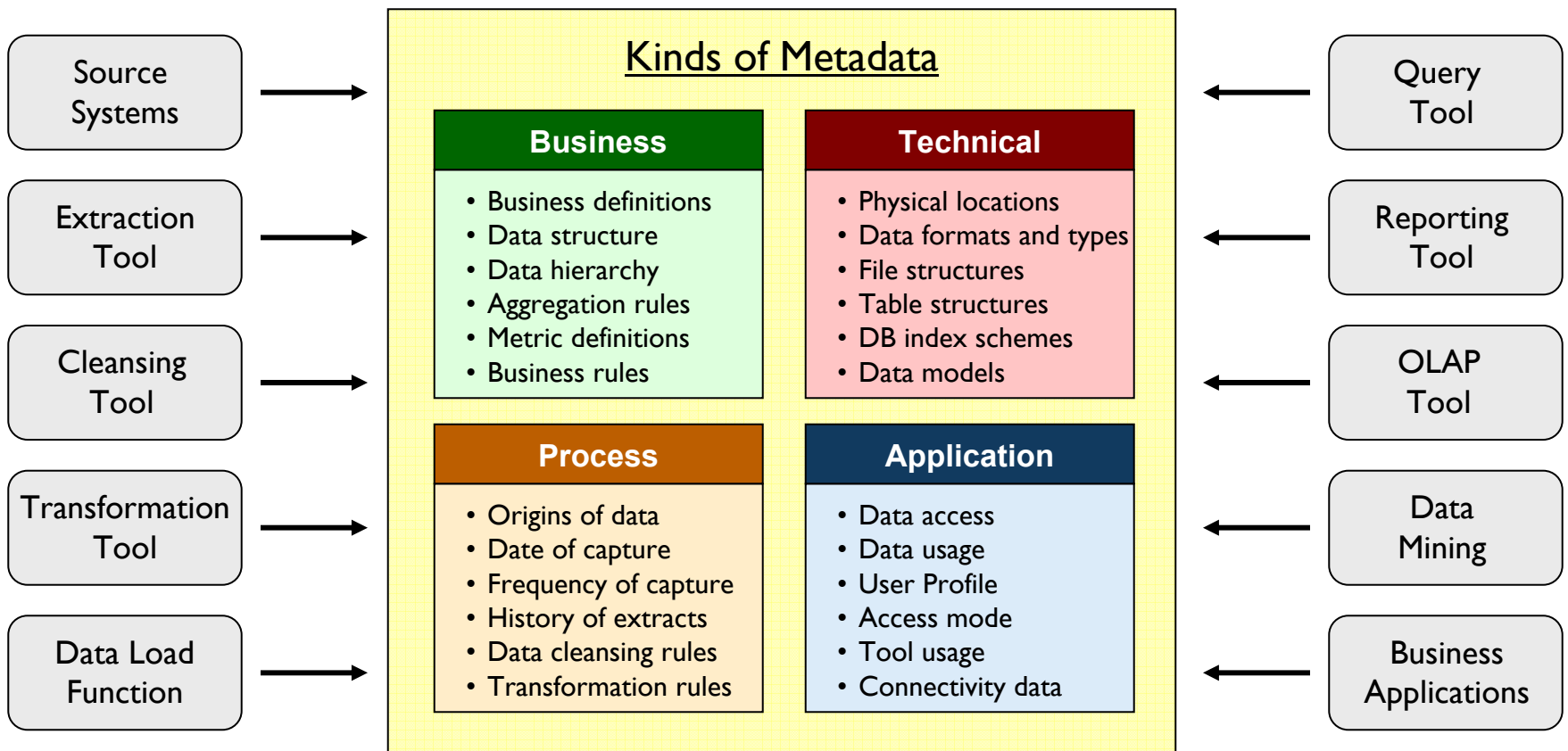


# Myth #4 – The Data Management Conundrum

Myth - Managing data is only about moving data around

Reality - Managing data is also about data dictionaries, business rules, etc.

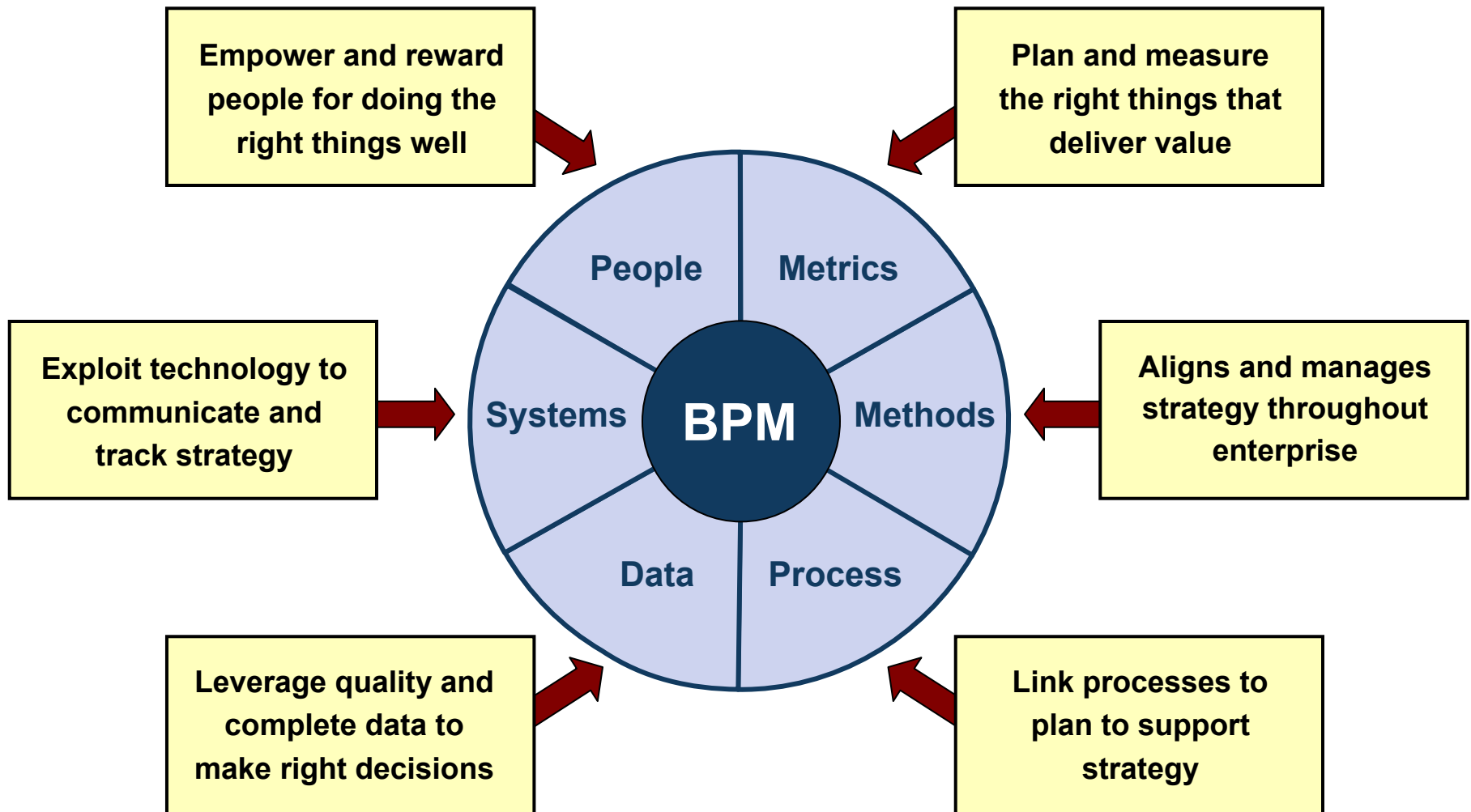
## Metadata is the Nerve Center for Data Warehousing



# Myth #1 – The Business Intelligence Morph

Myth - Business Intelligence is still just Business Intelligence

Reality - BI provides the engine for Business Performance Management



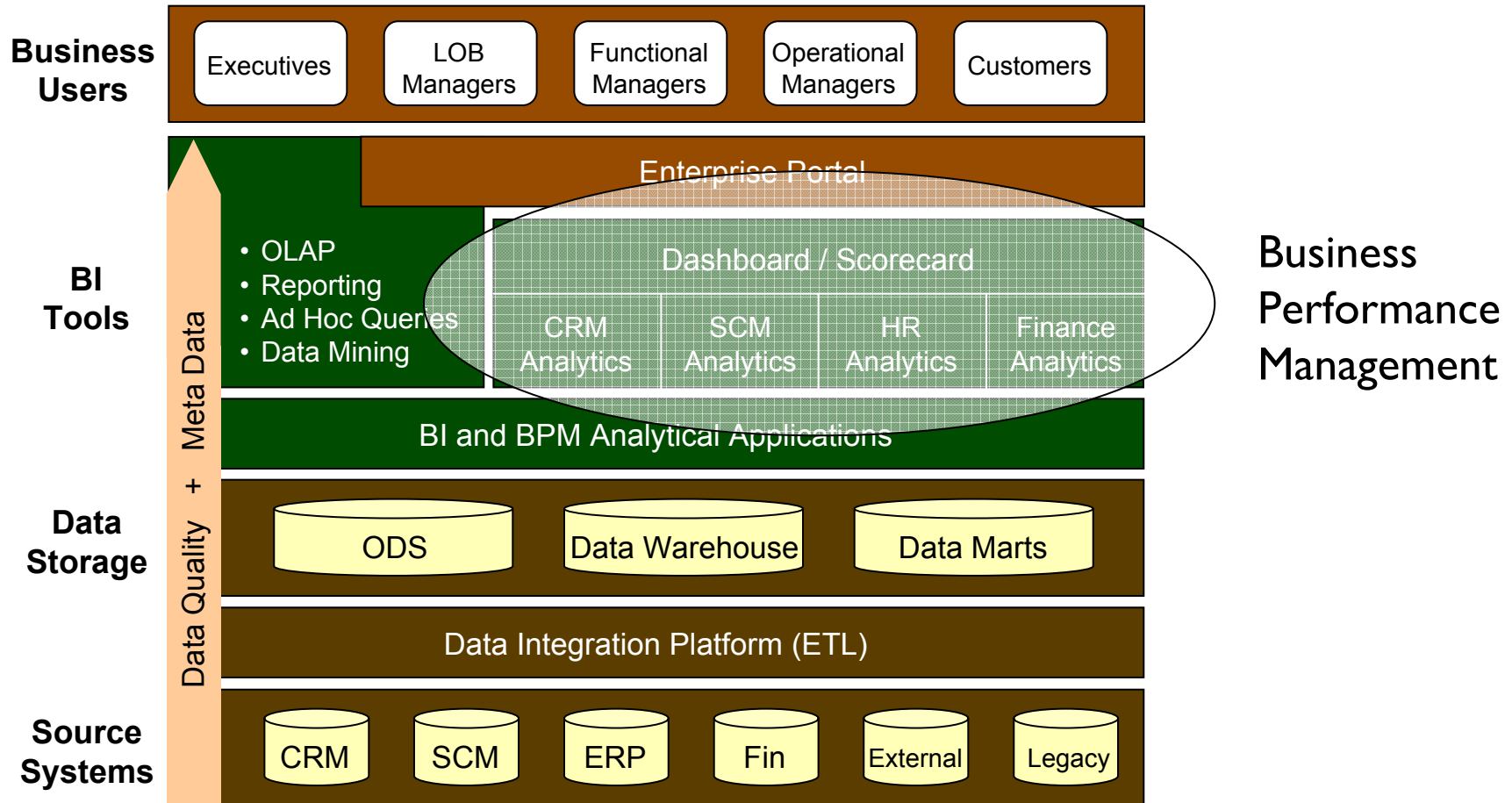
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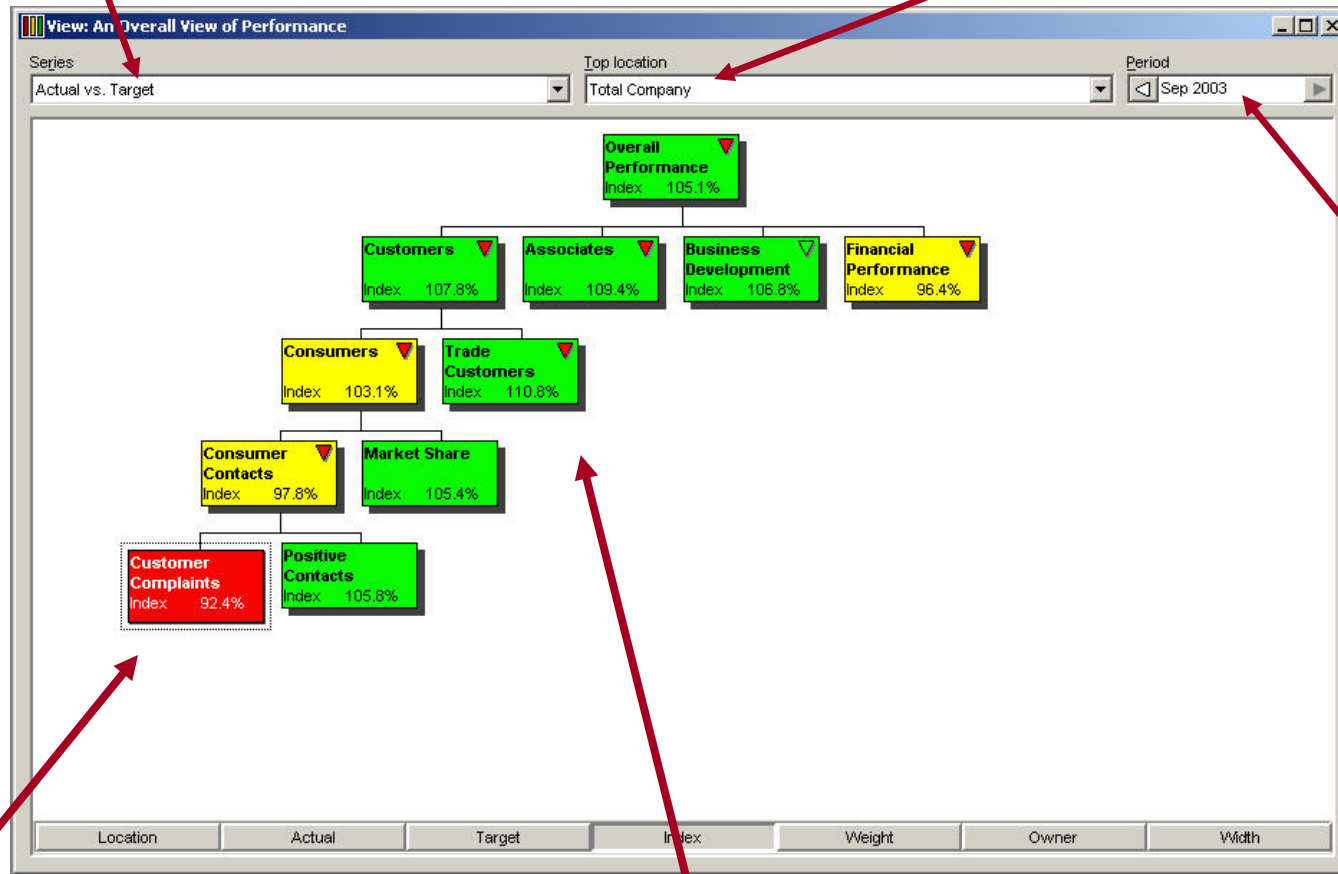
# Not a Myth – Performance Views

1

**MULTIPLE COMPARATIVES** - actual performance vs. an unlimited number of baselines: targets, budget, benchmark, stretch targets

2

**TIME DYNAMIC** - view change as you scroll back and forth in time



3

**ORGANIZATION FLEXIBLE** - view change as you scroll up and down company levels

5

**COLOR DIRECTED** - allows you to focus on the areas that need attention

4

**FRAMEWORK INDEPENDENT** - use any Framework: Balanced Scorecard, Six Sigma or own unique strategic themes

## Company Measure Page - shows profile of Key Performance Indicator

summary **DESCRIPTION** of Key Performance Indicator

1

### Description

This measures the average number of complaints received from consumers concerning the quality or availability of our products.

### Commentary

Sep 2002  
Performance continues it's decline!! The US is setting a goal to be at or below our customer complaint target, by end of next quarter, by implementing some of the procedures used in the Canadian office, which have proven to be effective.

[Edit](#)

latest **STATUS** captures recent progress

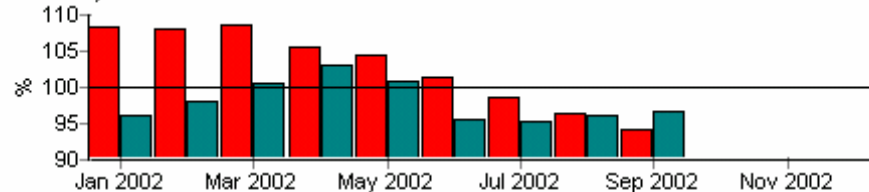
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normalized **INDEX** built from weighted data

2

### Index Chart

This Year by Month



[Show as table](#)

focused **TARGET** provides measurable goal

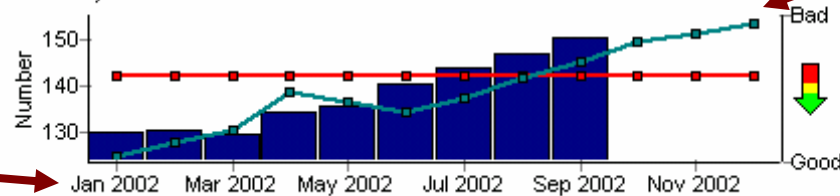
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**DATA** filtered to eliminate anomalies

3

### Data Chart

This Year by Month



[Show as table](#)

historic **BASELINE** anchors perspective

7

selected **TIME HORIZON** for analysis is variable

4

directional **POLARITY INDICATOR** provides compass

8

# Not a Myth – Company Briefing Books

## Company Briefing Book - shows company-level Sales/Marketing measures

The screenshot shows a web-based dashboard for a 'Sales/Marketing' briefing book. The interface is divided into several sections:

- Measures:** A list of metrics with color-coded bars and trend arrows. The 'Product Returns' bar is green with a downward arrow, while others are yellow with downward arrows.
- Links:** A section with 'Sales Tracker' and 'Advertising Age'.
- Reports:** A section with 'Sales by location (Pie Chart)'.
- Product Returns (Total Company):** A detailed view for the selected metric, including a description, commentary, and two charts: an 'Index Chart' (bar chart) and a 'Data Chart' (line chart).
- Navigation:** A bottom bar with tabs for 'Title', 'Contents', 'Sales/Marketing', 'Customer', and 'Financial'.

Annotations point to specific features:

- 1:** selected METRICS (KPIs) for tracking
- 2:** color guided cascading TRAILS
- 3:** links to related RESEARCH websites
- 4:** links to support ANALYSIS
- 5:** focus by STRATEGIC THEME
- 6:** alternative VIEWS selection
- 7:** colored BEACONS for trends

- ❖ Published articles on “Performance Management Dashboards, KPIs and Six Sigma”  
(from monthly column “Power of Metrics” in DM Review)  
[www.dmreview.com](http://www.dmreview.com)
- ❖ Attend DCI Business Intelligence and Data Warehousing Conference  
Presentation: “Six Sigma and Performance Management: Mixed Methods and Metrics for Streamlining Dashboard Development”
- ❖ Contact me at: [kent.bauer@TPGPractice.com](mailto:kent.bauer@TPGPractice.com) or  
(914) 584-7878

# Speaker Bio

- **Present**
  - Partner and Managing Director, Performance Management Practice at The Performance Group, a firm that provides performance management process management and BI consulting services
  - Focus on BPM, data warehousing and BI implementations
  - Monthly column “Power of Metrics” in DM Review
  - Frequent panelist and speaker at CRM, BPM and DW Conferences
- **Background**
  - Extensive experience at Fortune 500 companies such as AXA Financial, Citicorp, Avon Products and Kraft Foods
  - Track record in implementing BPM, CRM, data mining, database marketing, decision support and analytic applications
  - Pioneer in syndicated data analysis and CRM applications
  - Data Mining implementation awarded SAS Customer of Year (2003)
- **Education**
  - Bachelor degree in Mechanical Engineering from City College of New York
  - MBA in Statistics from New York University Graduate School of Business
- **Contact**
  - E-mail: [kent.bauer@TPGPractice.com](mailto:kent.bauer@TPGPractice.com)
  - Cell: (914) 584-7878

# The Top Ten Myths

- ✓ Myth #10 - The Business User Paradigm
- ✓ Myth #9 - The Transactional/Analytical Dichotomy
- ✓ Myth #8 - The ETL Challenge
- ✓ Myth #7 - The Data Mirage
- ✓ Myth #6 - The Data Storage Dilemma
- ✓ Myth #5 - The Population Issue
- ✓ Myth #4 - The Data Management Conundrum
- ✓ Myth #3 - The Snapshot Curse
- ✓ Myth #2 - The Analytics Myopia
- ✓ Myth #1 - The BI Morph